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May 13, 2008

TO: Members of the Regional Council Executive Committee

FROM: Mayor James M. Cavanaugh, City of Goodyear, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA FOR THE MEETING OF THE MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE WITH A POSSIBLE EXECUTIVE SESSION

Monday, May 19, 2008 - Noon
MAG Office, Suite 200 - Cholla Room
302 North 1st Avenue, Phoenix.

A meeting of the MAG Regional Council Executive Committee with a possible executive session has been scheduled for the time and place noted above. Members of the Committee may attend the meeting either in person, by telephone conference, or by video conference.

Please park in the garage under the building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Alana Chávez at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

If you have any questions regarding the Executive Committee agenda items, please contact Mayor James Cavanaugh at (623) 882-7782. For MAG staff, please contact Dennis Smith, MAG Executive Director, at (602) 254-6300.

A Voluntary Association of Local Governments in Maricopa County

City of Apache Junction ▲ City of Avondale ▲ Town of Buckeye ▲ Town of Carefree ▲ Town of Cave Creek ▲ City of Chandler ▲ City of El Mirage ▲ Fort McDowell Yavapai Nation ▲ Town of Fountain Hills ▲ Town of Gila Bend
Gila River Indian Community ▲ Town of Gilbert ▲ City of Glendale ▲ City of Goodyear ▲ Town of Guadalupe ▲ City of Litchfield Park ▲ Maricopa County ▲ City of Mesa ▲ Town of Paradise Valley ▲ City of Peoria ▲ City of Phoenix
Town of Queen Creek ▲ Salt River Pima-Maricopa Indian Community ▲ City of Scottsdale ▲ City of Surprise ▲ City of Tempe ▲ City of Tolleson ▲ Town of Wickenburg ▲ Town of Youngtown ▲ Arizona Department of Transportation

REGIONAL COUNCIL EXECUTIVE COMMITTEE

AGENDA

COMMITTEE ACTION REQUESTED

1. Call to Order

The meeting of the MAG Regional Council Executive Committee will be called to order.

2. Call to the Audience

An opportunity will be provided to members of the public to address the Regional Council Executive Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Members of the public will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Regional Council Executive Committee requests an exception to this limit. Please note that those wishing to comment on action agenda items will be given an opportunity at the time the item is heard.

3. Approval of Regional Council Executive Committee Consent Agenda

Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items that are being presented for action. Following the comment period, Executive Committee members may request that an item be removed from the consent agenda. Consent items are marked with an asterisk (*).

2. Information and discussion.

3. Approval of the Regional Council Executive Committee Consent Agenda.

ITEMS PROPOSED FOR CONSENT* BY THE REGIONAL COUNCIL EXECUTIVE COMMITTEE

*3A. Approval of the April 14, 2008, Regional Council Executive Committee Meeting Minutes

*3B. Amendment to the FY 2008 MAG Unified Planning Work Program and Annual Budget to Accept Funding and Amend Contract for the Don't Trash Arizona Litter Prevention and Education Program

3A. Review and approve the April 14, 2008, Regional Council Executive Committee meeting minutes.

3B. Approval to amend the FY 2008 MAG Unified Planning Work Program to accept \$30,975 from the Arizona Department of Transportation for the Don't Trash Arizona Litter Prevention and Education Program, and amend the contract with

The Arizona Department of Transportation is providing MAG funding for the Don't Trash Arizona Program to conduct a statewide evaluation survey (\$21,500) and to help fund a year-long, in-stadium advertising campaign at Chase Field (\$9,475), for a total of \$30,975. In accepting this additional funding, MAG requests amending the FY 2008 Unified Planning Work Program and Annual Budget, and amending the contract with RIESTER to increase the amount of the contract from \$600,000 to \$630,975.

RIESTER to increase the contract amount from \$600,000 to \$630,975.

*3C. Amendment to the FY 2008 MAG Unified Planning Work Program and Annual Budget to Accept Additional Funding From the Governor's Office for the MAG Youth Empowerment Project

On May 7, 2008, MAG was notified that the Governor's Office plans to provide additional funding in the amount of \$3,925.50 to supplement the current Innovative grant. These funds will support the distribution of the winning radio Public Service Announcement from the Youth Empowerment Project Competition. It is necessary to amend the FY 2008 Unified Planning Work Program and Annual Budget to accept these funds.

3C. Approval to amend the FY 2008 MAG Unified Planning Work Program to accept \$3,925.50 from the Governor's Office for the MAG Youth Empowerment Project.

**ITEMS TO BE HEARD
BY THE REGIONAL COUNCIL EXECUTIVE COMMITTEE**

4. Approval of the Draft FY 2009 MAG Unified Planning Work Program and Annual Budget

Each year MAG develops a Unified Planning Work Program and Annual Budget. This year, draft budget presentations were held and incremental information on the budget was presented beginning in January 2008 through April 2008. The total dues and assessments for FY 2009 were kept at the same level as FY 2008 due to the current uncertain economic conditions facing our members. The Work Program and Annual Budget was discussed by State and Federal agencies at the April 2, 2008 Intermodal Planning Group meeting. As adjustments to the budget were made, the draft budget document was updated and presented to the Management Committee, Regional Council Executive Committee, and Regional Council. The Draft FY 2009 MAG Unified Planning Work

4. Recommendation to approve of the resolution adopting the Draft FY 2009 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments.

Program and Annual Budget is being presented for approval. This item is on the May 14, 2008 Management Committee agenda. Please refer to the enclosed material.

5. Regional Office Center Update

On April 7, 2008, a pre-meeting including the Board Chairs and administrative officials of MAG, the RPTA, METRO and the Arizona Water Municipal User's Association (AMWUA) met to discuss the status of the Regional Office Center. The consensus of the group was for the agencies to pursue steps regarding future office space. On April 14, 2008, the MAG Regional Council Executive Committee reviewed and prioritized the steps recommended. On April 23, 2008, the MAG Regional Council approved the MAG Regional Council Executive Committee's recommendation. Since the Regional Council meeting, staff has proceeded in accordance with this direction and prepared information for consideration by the Executive Committee.

MAG staff met with representatives from the City of Phoenix Real Estate Division to review assumptions for the downtown Phoenix real estate market. Staff subsequently met with personnel from the RPTA, METRO and AMWUA to review these assumptions, analyze the current agency leases and project staff growth to identify the amount that would be spent in the next 15 years. On April 24, 2008, staff issued a specification seeking commercial properties for sale and lease that would accommodate a program similar in size to the rescoped Regional Office Center project with a minimum of 157,521 useable SF. On May 2, 2008, a total of six respondents submitted proposed locations. A review panel met on May 7, 2008 and selected 14 comparable commercial market opportunities for sale and/or lease for consideration.

On April 25, 2008, staff met with Mr. David Kaye to discuss the status of the 1st Avenue/McKinley site and provide notification to terminate the option payment of \$38,000 per month. Mr. Kaye indicated that he would be willing to renegotiate the price per square foot of the property and offered that future monthly

5. Information, discussion and possible action to recess the meeting and go into executive session for the purpose of discussion and consultation with MAG's attorneys for legal advice and for MAG to consider MAG's position and instruct its attorneys concerning negotiations of agreements concerning the Regional Office Center and to consider the acquisition of property to meet MAG's future office space needs A.R.S. 38-431.03(A)(3) and (4).

The meeting may then be reconvened to take action to direct staff to:

1) Pursue information on other properties for sale and/or lease as directed; 2) Proceed with negotiations with Mr. David Kaye on the 1st Avenue and McKinley site; and 3) Proceed with rescoping the existing Regional Office Center project including using one-half of the existing parcel, reducing the size of the conference center, reducing the parking garage, and evaluate whether to include the rooftop terrace and media center in the program to attain a Guaranteed Maximum Price for the building.

payments could be applied towards the total purchase price of the property.

Staff will present for consideration the tentative budget developed from projecting the current agency leases over a 15-year period, comparable commercial market opportunities for sale and/or lease, and a level of confidence for the Regional Office Center.

The Executive Committee may vote to recess the meeting and go into executive session for the purpose of discussion and consultation with MAG's attorneys for legal advice and for MAG to consider MAG's position and instruct its attorneys concerning negotiations of agreements concerning the Regional Office Center and to consider the acquisition of property to meet MAG's future office space needs A.R.S. 38-431.03(A)(3) and (4).

The meeting may then be reconvened to take action regarding negotiations of agreements concerning the Regional Office Center and to consider the acquisition of property to address MAG's future office space needs.

Please see enclosed material. Additional confidential material will be forwarded to members of the Executive Committee.

6. Approve the Amended and Restated Memorandum of Cooperation To Increase The Maximum of Shared Equal Costs and Approve Entering into a Preconstruction Services Agreement with McCarthy Building Companies

In February 2008, the three regional transportation agencies approved the Amended and Restated Memorandum of Cooperation (MOC) and authorized entering into a preconstruction services contract with McCarthy Building Companies not to exceed \$500,000. The approval by the Executive Committee was contingent upon approval of the Amended and Restated MOC by the other agency boards with no further changes. On February 20, 2008, the Valley Metro Rail (METRO) Board provided a conditional approval of the amended MOC and preconstruction services contract, and on February 21, 2008, the Regional Public

6. Information, discussion and possible action to do the following:

1) Approve the Amended and Restated MOC increasing the maximum of shared equal costs among the agencies from \$330,000 to \$550,000, or \$220,000 each, for Phase 2 preconstruction costs, including clarification of certain other provisions, and 2) Authorize the MAG Executive Director to enter into a preconstruction services agreement with McCarthy Building Companies, of which MAG's share will not exceed \$167,000, which will provide a final GMP for the building and include the right to ownership of the materials produced by the McCarthy team.

Transportation Authority (RPTA) Board approved the amended MOC and preconstruction services contract by a vote of 7 to 6. On April 16, 2008, the METRO Board voted unanimously to reexamine its conditional approval subject to further information concerning its current lease options and 15-year agency budget information.

To assist the transportation agencies with proceeding to the preconstruction phase, McCarthy Building Companies, at their risk, has prepared a level of confidence estimate to construct the Regional Office Center (ROC) based on the adjusted program and under the City of Phoenix Urban Form Code guidelines. McCarthy is prepared to enter into a preconstruction services contract to provide a Guaranteed Maximum Price (GMP) for the project. The adjusted program includes using one-half of the existing parcel, reducing the size of the conference center and reducing the parking garage and will evaluate, pending a value engineering process, whether to include the rooftop terrace and media center.

Pending review of information provided in agenda item #5, to obtain a GMP for the ROC site, the Executive Committee may desire to approve the Amended and Restated MOC to increase the maximum of shared equal costs among the agencies from \$330,000 to \$550,000 each, including clarification of certain other provisions and authorize the MAG Executive Director to enter into a preconstruction services agreement with McCarthy Building Companies, of which MAG's share will not exceed \$167,000, which will provide a final GMP for the building and include the right to ownership of the materials produced by the McCarthy team.

The Amended and Restated MOC will need to be further amended upon final negotiations among the agencies for their participation in the rescope project. This approval, however, will ensure each participating agency's share of contribution for Phase 2 preconstruction costs. Please refer to the enclosed material.